

3 September 1982

MEMORANDUM FOR THE RECORD

SUBJECT: DCI/NIO Meeting, 3 September 1982

1. The meeting opened with the Director discussing some of the procedures he follows in order to determine the concerns of the policy community. He meets daily for 10-15 minutes with [] and other officers who carry the PDB and other intelligence material to the Secretaries of State and Defense, the Vice President and the National Security Advisor. He mentioned the advantages of his weekly meetings with those same principals and then expounded on today's meeting with Secretary Shultz and their discussion of the international financial scene. The Director related this to his concern about having dynamic procedures for formalizing priority intelligence subjects and asked Bob Gates to describe the recent proposals for a revision of the NITs process. This represents an opportunity for the NIO to contribute to the quarterly revision of the current NITs and the revision of the DSCID 1/2.

2. The topics discussed were:

- The Director asked Maurice Ernst to describe his concept of an informal network of economic referents in the Government and the business community.
- Discussion of the HUMINT Collection Plans and FOCUS Review. This touched upon NIO concerns about how effective these exercises are, the side benefits of conducting such meetings and general agreement with [] the DO representative attending the meeting. The thrust of this discussion was that the Collection Plans and FOCUS Review should be formally evaluated with the objective of improving their effectiveness. The NIOs had suggested that the Inspectors' General of the various agencies in the intelligence community might offer the opportunity for the most objective report. The NIO structure simply does not have sufficient manpower to undertake this task. The IC Staff would have difficulty in remaining objective through an evaluation of one of its sub-elements. The Director indicated a preference for an ad hoc study group.
- The DCI discussed his view of the NIO relationship with the DO elements. His main points were that this is another area of NIO responsibility for collection activities and the NIO should become as deeply involved as necessary.

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- The Director asked for comments by the NIOs on how they conducted their monthly warning meetings and their judgment of how effective they were. He appeared to be quite surprised at the size of the warning meetings and the generally favorable comments by all the NIOs. We did not discuss substantive intelligence content of this month's warning reports.
- The Director raised his concern about the vagueness of some recent Terms of Reference for estimates. He complained that some Terms of Reference were little more than labels arrayed on a piece of paper and they conveyed no meaning to anyone. He cited as an example as a good Terms of Reference a series of questions embedded in the TOR drafted by Larry Gershwin on one of his estimates.
- The Director introduced the subject of NIO relations with Assistant Secretaries and other policy community consumers of intelligence. He commended NIO's Waterman and Gries on their relations with their counterparts downtown and their deft handling of the Middle East and Chinese problems.
- The Director pointed out that he looked to the NIOs to draw upon their wide ranging contacts in the policy community and project for him the long-range policy issues. He cited as an example some of NIO Waterman's work on the Palestinian issues. Mr. Waterman then briefly described some of that work and the Director also asked Mr. Gries to expand on an analogous situation where he had worked on the Taiwan arms sales problem.

3. In closing, the Director asked that the next DCI/NIO meeting be structured so that the NIOs can run through specific projections of long-range intelligence questions and forecast those arising over the next year. We can leave sufficient time in that meeting for some incidental discussion of such operational type issues that are of current interest to the Director and the NIOs.



H. F. Hutchinson, Jr.
Vice Chairman, NIC

cc: C/NIC
Each NIO
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